



State of Arizona
Department of Education

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Public Instruction

Memorandum

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To: Child and Adult Care Food Program Centers

From: Mary Szafranski, Deputy Associate Superintendent
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Subject: Five-Day Reconciliation in Centers Participating in the CACFP

The purpose of this memorandum is to provide information to centers regarding the conduct of five-day reconciliations for CACFP participants. Members from the USDA were asked questions addressing this issue during recent trainings on the second interim CACFP management improvement rule (69 FR 53501, September 1, 2004). Some attendees wanted additional information on how the requirement should be implemented in centers where reimbursement is based on a blended rate or a claiming percentage. Generally, in such centers, participant-specific daily meal counts do not exist.

Question # 1: When must five-day reconciliations be conducted?

Answer: In accordance with § 226.16(d)(4)(i) and (ii), a reconciliation of meal counts for five consecutive days must be included as a part of each facility review (i.e., each review of a sponsored center) conducted by a sponsor. In addition, whenever the Department of Education conducts a facility review as part of its review of a sponsoring organization, each facility review must include a five-day reconciliation, in accordance with § 226.6(m)(4). Although § 226.6(m)(3)(ii) requires Department of Education reviews of independent centers to include an assessment of the center's meal counting practices, the regulation does **not** require the Department of Education to conduct five-day reconciliations in independent centers. [See Question # 5, below, regarding sponsored emergency shelters and at-risk snack programs]

Question # 2: How should a State Agency or sponsor monitor conduct a five-day reconciliation in a sponsored center that is reimbursed on a blended rate or a claiming percentage?

Answer: Since participant-specific reconciliations are usually not possible when the center is reimbursed on a blended rate or a claiming percentage, the **aggregate (or total) daily meal count** for each meal type must be compared to attendance and enrollment records. The following describes the process for conducting a five-day reconciliation of a sponsored center, whether the review is being conducted by the SA or by the center's sponsor.

Before conducting the actual reconciliation, the monitor must take two preliminary steps:

- Evaluate the center's enrollment and attendance records, to ensure that they are current and accurate.

- Compare the center's total meal counts to its licensed capacity. In accordance with §§ 226.17(b)(4) and 226.18(e), meal counts for any day or any shift (if shift care is provided) should never exceed licensed capacity.

The monitor is now ready to perform the actual five-day reconciliation.

The monitor should start by comparing the center's total enrollment to its recorded daily attendance, to ensure that the number of children in attendance does not exceed the number of children enrolled. If attendance does exceed enrollment, for any day or for any shift (if shift care is provided), the monitor must determine the source of the error (e.g., inaccurate attendance records, missing enrollment forms) before a five-day reconciliation can be completed.

Next, the monitor will compare the center's total attendance to its meal counts, for any day or any shift (if shift care is provided). The monitor will look at five consecutive days of aggregate meal counts for each approved meal type, to ensure that meal counts do not exceed the number of participants in attendance on any day, or for any shift.

Finally, if meal counts and attendance cannot be reconciled, the regulations at § 226.16(d)(4)(ii) require the reviewer to "determine whether the establishment of an overclaim is necessary".

Question # 3: What if the sponsored center is reimbursed on actual daily meal counts by participant? Does the monitor reconcile enrollment, attendance, and meal counts by participant, or does the monitor use aggregate data, as in a sponsored center that used a blended rate or claiming percentage?

Answer: In this case, the monitor would reconcile meal counts to attendance and enrollment **by participant**. However, to make the workload more manageable, monitors may base their reconciliation on a random sample of the children for the five-day period. The random sample must equal at least 10 percent of the number of children enrolled, with a minimum of five children's records being reconciled in sponsored centers with 50 or fewer enrolled children.

This sample is not intended to be statistically valid, nor can it be used as a basis for calculating an overclaim for meals served to children whose records were not sampled for the reconciliation. Rather, the sample described is a management tool designed to quickly determine whether the center has a problem with its meal counting and claiming procedures.

Question # 4: Are meal counts reconciled with enrollment forms, attendance data, or both?

Answer: The final rule will clarify that, in all five-day reconciliations conducted by SAs or sponsors, meal counts must be compared to both enrollment and attendance records, whenever those records are available, as described in Question # 2, above. [See also Question # 5, below, regarding sponsored emergency shelters and at-risk snack programs]

Question # 5: What if there are no enrollment forms or attendance records on file? How should a five-day reconciliation be conducted?

If there are **no enrollment forms** required (as in at-risk programs, and in some shelters and outside-school-hours programs), the monitor would reconcile meal counts to attendance records.

If there are **no enrollment or attendance records** (as in some emergency shelters), the monitor would conduct a more general review of the facility's meal counting and claiming procedures that would **not** include a five-day reconciliation.

Question # 6: § 226.16(d)(4)(ii) states that the five-day reconciliation must be done "during the current and/or prior claiming period." Does this limit the five-day reconciliation to the current or previous claiming period?

As implied by the regulatory language, we expect that five-day reconciliations will usually involve records from the current or previous month (or, for reviews conducted early in a month, perhaps some combination of days from the current and previous months). This will facilitate parent contacts, should those prove necessary.

However, if there are circumstances that warrant the monitor examining a five-day period from an earlier month (e.g., there are indications of an inaccurate meal count in an earlier month, but not in the current or previous month), the regulatory language should not be construed to prohibit the monitor from looking at an earlier month's records.

Please feel free to contact your program specialist if you have further questions.

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